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TO RUEHC/SECSTATE WASHDC 9823
INFO RUEHAC/AMEMBASSY ASUNCION 5975
RUEHBO/AMEMBASSY BOGOTA 3293
RUEHBR/AMEMBASSY BRASILIA 7142
RUEHBU/AMEMBASSY BUENOS AIRES 4399
RUEHCV/AMEMBASSY CARACAS 1682
RUEHPE/AMEMBASSY LIMA 1684
RUEHME/AMEMBASSY MEXICO 1746
RUEHMN/AMEMBASSY MONTEVIDEO 3896
RUEHQT/AMEMBASSY QUITO 4313
RUEHSG/AMEMBASSY SANTIAGO 8870
RUCPDO/DEPT OF COMMERCE WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC

UNCLAS LA PAZ 001797

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STATE FOR WHA/AND LPETRONI
COMMERCE FOR JANGLIN, MDYBCZAK, LMARTINICH, AND RSTETSON
TREASURY FOR SGOOCH

E.O. 12958: N/A
TAGS: [ETRD](#) [EINV](#) [ECON](#) [BL](#)
SUBJECT: USED CLOTHING IMPORTS TEMPORARILY EXTENDED

REF: LA PAZ 299

11. (U) Summary: In a June 21 supreme decree, the GOB extended used clothing imports until April 20, 2007, and said it would allow used clothing sales through February 28, 2008. Reactions were mixed, with some groups accusing the GOB of harming small apparel producers and others suggesting the GOB's decision would eliminate the livelihood of thousands of used clothing importers. End summary.

12. (U) In Supreme Decree 28761, issued June 21, the GOB extended used clothing imports until April 20, 2007, and said it would allow used clothing sales through February 28, 2008. The decree said there was no possibility of extension; renewed bans on old or damaged clothing, intimate apparel, and bedding; and placed new prohibitions on the sale of donated clothing, charging the Ministries of Finance and Production with authorizing individual shipments' entry. The decree also stated that used clothing imports would require certificates of disinfection issued at both origin and destination, with the latter issued by the Bolivian Health Ministry or by designated concessionaires.

13. (U) Reactions were mixed, with some groups accusing the GOB of harming small apparel producers and others suggesting the GOB's decision would eliminate the livelihood of thousands of used clothing importers. According to press reports, Committee for the Defense of National Industry representatives argued that small apparel producers, many of whom work in family-owned workshops, cannot compete with cheap imported goods and may be forced to close. Others, like the Bolivian Foreign Trade Institute, suggested the GOB's decision to eventually ban used clothing imports would eliminate the incomes of the estimated 15,000 people directly or indirectly involved in the used clothing trade.

14. (SBU) Comment: The Morales administration struggled with this issue months ago (reftel) but postponed a "definitive" decision until now. Even with the new decree, the matter will likely remain contentious, as the GOB seems unable to avoid a trade-off between small apparel producers and used clothing sellers. For U.S. suppliers of used clothing,

however, the GOB's decision is good news, at least for now.
End comment.
GREENLEE